

Appendix C:

Audit scope and method

Scope of this audit

Who we examined

We examined the following agencies:

Agency	Their key responsibilities
DJCS (ERV)	<ul style="list-style-type: none">coordinating relief and recovery activitiesadministering the Natural Disaster Relief Trust Account
DTP	<ul style="list-style-type: none">assessing DRFA claims
DTF	<ul style="list-style-type: none">assessing requests for Treasurer's Advance funding

Our audit objective

Did impacted regional communities receive eligible and timely funding for relief and recovery activities following the October 2022 floods?

What we examined

We examined if:

- agencies and local councils applied for funding in line with Framework and DRFA requirements
- DTP and ERV assessed DRFA submissions within designated timeframes
- DTF and ERV approved funding quickly after receiving submissions.




Aspects of performance examined

Our mandate for performance audits and reviews includes the assessment of economy, effectiveness, efficiency and compliance (often referred to as the '3Es + C').

In this audit we focused on the following aspects:

Economy	Effectiveness	Efficiency	Compliance
			

Key:

-  Primary focus
-  Secondary focus
-  Not assessed

Conducting this audit

Assessing performance To form a conclusion against our objective we used the following lines of inquiry and associated evaluation criteria.

Line of inquiry	Criteria
1. Did disaster funding arrangements ensure relief and recovery assistance reached communities impacted by the October 2022 floods in a timely way?	1.1 Agencies and local councils applied for relief and recovery funding in line with: <ul style="list-style-type: none">• Framework requirements• DRFA eligibility and evidentiary requirements.
	1.2 DTP and ERV assessed submissions for eligible relief and recovery funding within designated timeframes.
	1.3 DTF and ERV approved eligible relief and recovery funding as soon as was practicable after receiving submissions.

Our methods As part of the audit we:

- reviewed the Framework and used this to assess the outcomes and timeliness of ministerial funding requests
- reviewed the Victorian and Australian Governments’ audit findings and recommendations
- reviewed council applications and estimates for Natural Disaster Relief Trust Account advances against DRFA guidelines
- reviewed DRFA guidelines to identify what eligibility and evidentiary requirements apply to claims.

Level of assurance

In an assurance review, we primarily rely on the agency’s representations and internally generated information to form our conclusions. By contrast, in a performance audit, we typically gather evidence from an array of internal and external sources, which we analyse and substantiate using various methods. Therefore, an assurance review obtains a lower level of assurance than a performance audit (meaning we have slightly less confidence in the accuracy of our conclusion).

Compliance We conducted our audit in accordance with the *Audit Act 1994* and ASAE 3500 Performance Engagements to obtain reasonable assurance to provide a basis for our conclusion.

We complied with the independence and other relevant ethical requirements related to assurance engagements.

We also provided a copy of the report to the Department of Premier and Cabinet.

Cost and time The full cost of the audit and preparation of this report was \$660,000.

The duration of the audit was 11 months from initiation to tabling.